

February 28, 2023

Dear Representative Luxenberg, Senator Moore, and members of the Housing Committee:

My name is Thomas Buckley. I am a resident of Avon and a member of Westminster Presbyterian Church. My congregation is a member of the Greater Hartford Interfaith Action Alliance (GHIAA), a broad-based organization of 49 faith institutions working together on this issue.

I am testifying in support of SB 4 with amendments to better protect tenants: (1) A rent cap of no more than 3%; (2) coverage in between tenants, so landlords can't push out tenants to increase rent; and (3) expand good cause eviction protections so tenants have security in their homes and can't be evicted for no reason.

Renting has a stability problem. As a renter, you don't know if your landlord might sell your home, turn it into condos, or evict you. You don't know if you can make any lasting ties in a community. Part of this stability problem is a cost problem. While the Covid pandemic exacerbated the cost problem, this issue was with us in Connecticut prior to 2020. One major reason Connecticut has a unique rent cost issue is the large number of landlords who are corporate entities, and it appears to be almost impossible to know if a corporate entity has become the landlord.

Rent control or stabilization (or caps) has been an oft-maligned policy, and I don't want this bill to unduly hurt small, independent landlords in Connecticut, as I don't believe it will. There is opposition testimony to this bill that list multiple reasons why landlords will be hurt by this bill, but there has not been sufficient fact-based research to support their claims. This bill is a response to the skyrocketing cost of housing in Connecticut, but the bill should not be the exclusive solution to rising rents. As economists often stress, rent control fails to address the core issue of why housing is so expensive to begin with: lack of supply. Therefore, I feel that this bill and the Fair Share legislation (HB 6633) are essential companion pieces of legislation that should be enacted together.

The states that have some form of rent control either at the state level or below (California, New York, New Jersey, Maryland, Oregon, and Washington, DC) share something in common: They have high-demand labor markets where the rising cost of housing is largely due to localities' reluctance to allow more housing to be built even as demand has shot through the roof. This puts a tremendous burden on marginalized communities that have been priced out or kicked out of their rental units. Rent stabilization should be understood as a ***remedy for displacement***, rather than a solution to the spiraling cost of housing. It's best as a measure that can help keep current tenants from being displaced from their neighborhoods, and as part of the long-term project of solving Connecticut's housing shortage.

I believe economists are right that rent control does not fix the fundamental problem of the rising cost of housing. Rent caps need to be seen not as a tool for addressing the cost of housing but as a stabilization tool for tenants and communities that are continually shunted from neighborhood to neighborhood by economic forces they often have no say in. Rent stabilization gives policymakers like you a chance to redistribute the pains of scarcity in the near term. Even research that concludes rent control is on net harmful to tenants in the long term concedes that it reduces displacement for current tenants. In particular, the Stanford study found rent control reduced displacement by up to 20% (*American Economic Review*. September 2019 Vol. 109, Issue 9, Pages 3365-3394).

For these reasons I urge you to pass SB and I look forward to your passage of its companion Fair Share housing legislation (HB 6633) as initial steps to addressing Connecticut's severe housing crisis.

Sincerely, Thomas Buckley - Avon, CT